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**VIA ELECTRONIC MAIL AND
ELECTRONIC FILING**

David Butler, Esquire
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

RE: Annual Review of Base Rates for Fuel Costs for South Carolina Electric
& Gas Company
Docket No. 2018-2-E

Dear David:

Please accept this letter as South Carolina Electric & Gas Company's response to the Petition for Rehearing and/or Reconsideration ("Petition") filed by the South Carolina Solar Business Alliance ("SBA") in the above-referenced docket. As an initial matter, the SBA's Petition is premature because the Public Service Commission of South Carolina ("Commission") has not yet issued a final order regarding the Petition. See Directive dated April 4, 2018, issued in Docket No. 2018-2-E. To date, the Commission has issued a directive only and at some point in the future, SCE&G anticipates that consistent with prior Commission practice, the Commission will memorialize its directive into a final order. Until that time, SBA's Petition is premature and should be dismissed for this reason.

Setting aside the procedural defect, the SBA's Petition claims that the "Docket reader" should have informed the Commission that the SBA's Motion to Bifurcate ("Motion") was supported by the South Carolina Office of Regulatory Staff, the South Carolina Coastal Conservation League, and the Southern Alliance for Clean Energy. Simply because the SBA's Motion was supported by other parties of record does not somehow automatically bolster the SBA's Motion and render the Commission's Directive deficient. Instead, it simply shows that these parties' interests align and nothing more. SCE&G is unaware of any statute, regulation, rule, order, case law or other applicable law that requires the "Docket reader" to reference every document filed in a docket before the Commission takes action on a matter and the SBA's cites nothing in support of its position. This argument also fails because according to the Commission's "Utilities Agenda" posted on March 30, 2018, for the week of April 2, 2018, the Commission was advised of the letters of support filed by

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the South Carolina Coastal Conservation League and the Southern Alliance for Clean Energy. *See* Item No. 63 *"Advise the Commission of Receipt of South Carolina Coastal Conservation League and Southern Alliance for Clean Energy's Response in Support of Solar Business Alliance's Motion to Bifurcate Issues"* and Item No. 69 *"Advise the Commission of Receipt of E-Mail Correspondence between Parties of Record Regarding the Filing of Responses to Motion and Petition, Filed by David Butler, Esquire."* Moreover, according to the Commission's "Utilities Agenda" posted on April 6, 2018, for the week of April 9, 2018, the Commission was advised of the South Carolina Office of Regulatory Staffs response to the SBA's Motion. *See* Item No. 5 *"Advise the Commission of Receipt of the Office of Regulatory Staff's Answer to the South Carolina Solar Business Alliance's Motion to Bifurcate Issues."* It is without doubt that the Commission was aware of the support lent by certain other parties of record to the SBA.

Lastly, the SBA continues to assert the narrative that SCE&G has "change[d] their avoided cost methodology." Contrary to the SBA's belief otherwise, SCE&G has not changed its avoided cost methodology. It continues to employ the difference in revenue requirements methodology as approved by the Commission. The Company cannot be clearer on this point.

For the reasons above, SCE&G respectfully requests that the Commission deny SBA's Petition.

If you have any questions, please advise.

Very truly yours,



K. Chad Burgess

KCB/kms

cc: Andrew Bateman, Esquire
 Jenny Pittman, Esquire
 Richard Whitt, Esquire
 Scott Elliott, Esquire
 Katherine Ottenweller, Esquire
 J. Blanding Holman IV, Esquire
 (all via electronic mail and U.S. First Class Mail)